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Vice President-Federal Regulatory

EX PARTE

August 28, 2003

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street S.W., TW-A325
Washington, DC 20554

Re: *In the Matter of Implementation of the Pay Telephone Reclassification and
Compensation Provisions of the Telecommunications Act of 1996,
CC Docket No. 96-128*

Dear Ms. Dortch:

On August 27, 2003, Cronan O'Connell representing Qwest Communications International Inc. ("Qwest"), and Aimee Jimenez and Glenda Weibel, also of Qwest via telephone, met with the Federal Communications Commission's Wireline Competition Bureau including: Jeffrey Carlisle, Senior Deputy Bureau Chief, Michelle Carey, Competition Policy Bureau Chief, Joshua Swift, Legal Counsel to Bureau Chief, as well as Robert Tanner, Henry Thaggert, Jack Yachbes and Darryl Cooper to discuss issues concerning the above-captioned proceeding.

Qwest discussed its comments as filed on the record in this proceeding but augmented its initial proposal to include an additional obligation which would be imposed on the Switched Based Resellers ("SBRs"), as outlined in the attachment. In particular, should the Commission readopt the "First Switch" Rule, in addition to the *certification* process as detailed in our comments, Qwest advocates that the Commission require SBRs to provide call completion data to interexchange carriers ("IXCs") in the same quarter in which payment to the Payphone Service Provider ("PSP") is processed. This proposal would reduce the costs borne by IXCs who are placed in the role of the middleman between the SBR and the PSP.

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In accordance with FCC Rule 47 C.F.R. § 1.49(f), this *ex parte* letter is being filed electronically for inclusion in the public record of the above-referenced proceeding pursuant to FCC Rule 47 C.F.R. § 1.1206(b)(2).

Sincerely,
/s/ Cronan O'Connell

cc: Jeffrey Carlisle (via e-mail at jeffrey.carlisle@fcc.gov)
Michelle Carey (via e-mail at michelle.carey@fcc.gov)
Joshua Swift (via e-mail at joshua.swift@fcc.gov)
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Darryl Cooper (via e-mail at darryl.cooper@fcc.gov)
Jack Yachbes (via e-mail at jack.yachbes@fcc.gov)

Qwest Discussion – Docket CC No. 96-128

- I. Qwest is ideally situated to propose a solution to the Commission
 - a. Qwest is one of the largest PSPs as well as the one of the largest IXC
 - b. This proposal is a result of efforts to reconcile the conflicting interests of PSPs and IXCs as well as weighing the concerns of other business units affected by the payphone compensation rules (e.g., LEC, SBR, prepaid calling card provider).
- II. The payphone compensation rules are ineffective because:
 - a. The SBRs have no incentives to accurately report the number of calls that were completed (i.e., answered by the called party)
- III. Therefore, at a minimum, any Rule adopted by the Commission must include the following carrier obligation:
 - a. Annual *certification* from each carrier's corporate officer including:
 1. The number of calls for which that carrier paid compensation to the PSP (or paid a surcharge to the IXC, identifying the number of calls for each IXC) broken down by quarter.
 2. The number of calls on which the carrier charged its customers a surcharge (and for IXCs, identifying the number of calls for each reseller customer), broken down by quarter.
 3. Require that untimely certifications be subject to fines.
 4. Require that submission of false data would be processed through an enforcement and penalty scheme.
 5. This attestation should eliminate the financial incentive a reseller may have to misreport call completion numbers to the IXC or PSP.
- IV. Should the Commission readopt the "First Switch" Rule, in addition to *certification*, the following obligation should apply:
 - a. SBRs be required to provide call completion data to IXCs in the same quarter in which payment to the PSP is processed.
 - b. This proposal would reduce the costs borne by IXCs who are placed in the role of the middleman between the SBR and the PSP.
- V. Alternatively, if the Commission readopts the "Last Switch" Rule, in addition to *certification*, the following obligations should apply:
 - a. Require IXCs and SBRs to provide PSPs full call detail records for all compensable calls with their quarterly payments
 - b. Require all carriers to publish and maintain a list of those 800 numbers for which their SBR is responsible for payment
 - c. Publication of these 800 numbers must include the responsible party's name and contact information